

**Guidance on the evaluation criteria and framework to be used by the
Fund to evaluate applications made under Round 12****Introduction**

The Fund's delivery strategy is to stimulate the introduction of collection, materials processing and reprocessing infrastructure which enables high performance recycling and composting and also enables waste authorities and their partners to build on existing recycling programmes and partnerships. As partners in the London Recycling Fund, the London Development Agency (LDA) is committed to investing £1.65million in 2005/6 into projects that support development of sustainable enterprise. In partnership with the London Recycling Fund (LRF), through an Economic Development-Infrastructure Building (EDIB) programme.

Overall Purpose

The EDIB programme is specifically designed to encourage projects that support the development of sustainable enterprise within the reuse, processing and reprocessing sector in London. The programme will make available grants that aid the development of re-use, processing and reprocessing capacity and the development of new waste infrastructure facilities that deal with one or more of the following priority materials - Waste Electrical and Electronic Equipment (WEEE), End of Life Vehicles (ELV), Plastics, Glass, Wood, mixed papers, construction and demolition waste. Proposals involving other materials (e.g. organics) will also be considered. Projects submitted by private sector, public sector and "Third Sector" organizations, either individually or in partnership, will be eligible for support provided they meet the criteria for support

The Fund's Underlying Strategic Principles for the programme

The Fund's overall approach for the EDIB programme is underpinned by a number of important principles

- The Fund seeks to make an impact by supporting projects that provide benefits which will be felt by all of London's waste authorities and their constituent communities
- Funds will be allocated in order to secure significant increases in London's household recycling performance, diversion of municipal waste from landfill and to enable waste authorities to meet their statutory targets
- The Fund seeks to promote the creation of a recycling infrastructure for London that will give long term support to higher long term levels of recycling
- Allocation of funds will be undertaken by means of an evaluation process which requires provision of information necessary for a fair evaluation of project proposals without placing an undue burden on those making applications or so onerous as to restrict authorities willingness and capacity to bid. The level of detail required will be proportionate to the funding and complexity of the project being proposed
- The process will be straightforward, flexible, and transparent and open to scrutiny
- A stand alone support programme to be delivered by London Remade, will provide support to potential project applicants to advise and assist them develop projects both pre and post application and by so doing maximise the potential of bids and the overall effectiveness of the fund.
- The Fund will aim to strike a balance between achieving maximum value for money and increased tonnage and supporting innovation and development

The approach to Evaluation

Through the EDIB Programme, grants will be targeted on proposed projects that meet the output requirements of the Fund's EDIB Programme and those of the LDA. Applications will be evaluated to assess the planned outputs from the project. The evaluation also assesses other features of the project including project management arrangements, the risks associated with the project and the implementation and delivery plan. These will all have a bearing on the robustness of the claimed outputs and the likelihood that they will be delivered over the life of the project

The principal criteria that will be used are summarised below -

- Proposals that aid the development of re-use, processing and reprocessing capacity and the development of new waste infrastructure facilities which deal with priority materials.
- Ability to support economic development, including job creation and skills training, Brownfield land remediation and private sector investment in deprived communities.
- Ability to support inclusion of deprived communities and equality groups, including women, disabled and Black and Minority Ethnic groups.
- Proposals must provide evidence of the development of a partnership between waste authorities, borough economic development and planning teams and private sector and/or "Third Sector" organisations
- Proposals that clearly indicate how these will contribute to increasing municipal waste recycling rates in London.
- Proposals that include a robust business plan that is realistic and where risks are well managed

Evaluation Criteria and Framework

The criteria against which projects will be judged are set out below. ***Applicants must ensure that they provide sufficient evidence in their application to demonstrate compliance with the evaluation criteria.***

1. Development of sustainable enterprise within the reuse, processing and reprocessing sector in London,

Applications must demonstrate how the proposals will involve private or third sector ¹ (community sector) organisations which can evidence a clear market opportunity which have the clear potential to be economically viable over a period longer than five years

2. Securing development of re-use, processing and reprocessing capacity, of new waste infrastructure facilities and the nature of the proposed material outputs

Applications should describe the nature of the new capacity/infrastructure being provided together with the materials which will be handled and the type and volume of recycled "product" which will result

3. Maximisation of creation of new jobs

Applications should specify the type and number of new jobs to be created broken down by targets for BME (29%), Women (50%) and Disabled People (5%)

¹ The "Third Sector" – includes community sector and not for profit social enterprise organisations. The "Third Sector" in England and Wales comprises over 1400 organisations from the 'Third Sector' - a sector which now employs 0.5 million staff who work with 6 million volunteers to generate a collective annual turnover in excess of £8 billion in the UK.

4. Maximisation of provision of learning opportunities

Applications should specify the type and number of learning opportunities and target outcomes and how they will be provided

5. Contribution to remediation of brown field land

Applications should evidence the geographic location of the land, its area and the remediation that is planned.

Remediation means making the land fit for use by removing physical constraints to development or improving the land for a soft end use. This could include dealing with contamination, existing surface and buried structures, stabilisation, levelling, provision of flood defences, and the provision of other significant infrastructure without which the land could not be re-used.

6. Encouragement of private sector investment in deprived areas

Applications should specify the value and type and sources of private sector investment. This should be interpreted widely and should not be confined to financial investment

7. Leverage of "matching" financial contributions from other sources.

Applications should indicate the value of commitments, which have been made for provision of additional funds, their sources and duration.

8. Development of a partnership or collaborative arrangements that involve relevant private sector/"Third Sector" organisations in partnership with London borough economic

Applications should describe the role and contribution of partners to the proposed project. **See annexe 1- Criteria for assessing Partnerships.** Applications that evidence a highly formalised partnership will achieve a higher evaluation result.

9. Ability to demonstrate diversion of municipal waste from landfill

Applications should demonstrate and provide information on how the project will divert municipal waste from landfill, the types of waste components diverted, the amounts and over what period

10. Access to the waste material supply chain and to end user markets for the resulting product

Applications should describe how the "recyclate" material is to be captured and how the recycled product will be "reused"

11. Value for Money

Applicants should describe the estimated contribution to increasing levels of asset utilisation thereby ensuring that maximum potential output is being extracted from relevant existing investment and that proposed new investment will result in additional "added value".

Applicants should provide sufficient information to enable LRF to determine value for money in terms of the unit cost of outputs and/or installed capacity relative to valid comparators or benchmarks for the duration of LRF support.

(This will apply to all projects but will not preclude support for projects which are experimental and innovative and which may therefore be outwith existing vfm and performance benchmarks).

12. Support for participation in re-use, processing and reprocessing by residents and communities

London Waste Action aims to increase participation rates in order to maximise asset utilisation and the effectiveness of the investments being made in recycling capacity. Applicants should therefore ensure that they evidence this in their applications. This includes efforts to increase participation by black and minority ethnic groups

13. Sustainable Development ²

Applicants should describe how the project will contribute to sustainable development. This might include support for sustainable employment, training and economic development, sustainability appraisal and "green procurement"

14. Effective project planning, management and risk analysis and management arrangements

Applicants should describe their approach to project planning and management and to analysis and management of risk and provide evidence of their track record in implementing similar projects including any previously funded by LRF. They should clearly demonstrate identification, understanding, quantification and analysis of all major risks associated with the project

15. A robust business plan

Applicants should submit a robust business plan which evidences the creation of a sustainable enterprise. The scale and content of the plan should be appropriate for the size, cost and extent of the proposals.

16. Clear outputs & deliverables

Applicants should ensure that the application provides clear and comprehensive evidence that the outputs planned for the project and is of a quality and consistency such as to demonstrate that the project meets the Fund's strategic objectives and requirements.

17. Compliance with State Aid Regulations

Applicants must certify that their project does not breach State Aid Regulations

Further information

For more information on the LDA's Programmes please see <http://www.lda.gov.uk>

² Sustainable Development has three principle dimensions - Economic Development, Social equity and benefit and Environmental equity and benefit. One definition that encompasses all these is "a shared commitment to orderly economic development and use, along with an understanding and respect for the capabilities and limitations of the environment to support growth and economic activity over time. Sustainability means managing resources in a manner that meets the needs of present generations without compromising the ability of future generations to meet theirs. Sustainable developments do not adversely affect people living elsewhere (near or far) and allow all elements of the community to flourish". Ref: www.nps.gov/miss/info/cmp/glossary.html

Annex 1 Criteria for assessing Partnerships – Definition and Evaluation of Partnerships

A partnership can be evidenced in a number of different ways, from a legally binding formalised Partnership to an Informal Partnership For the purposes of considering applications for funding, the Fund will evaluate partnerships and assess their value through considering the various criteria set out in the framework below

Key Feature for evaluation	Legally binding Formalised Partnership	High Level Formally Constituted Partnership	Less Formally Constituted Partnership	Informal partnership
Constitution of the Partnership and freedom to act	<p>All partners have signed a legally binding Agreement to contribute.</p> <p>The Agreement defines clearly the contribution to be made by each partner and the outputs that each partner will deliver</p>	<p>A formally constituted group of organisations.</p> <p>While formalised the partnership agreement may not be legally binding, but can be by an exchange of letters signed by the Chief Executive, a Director or an authorised Member of the Council</p> <p>The formal agreement must enable the partnership to consider strategic issues that are relevant to waste and resources management infrastructure and the associated economic development issues.</p>	<p>An informally constituted group of organisations.</p> <p>The partnership is constituted through an exchange of letters signed by a senior representative of the relevant partners</p> <p>The informal group must be enabled through their respective organisations must be empowered to take decisions affecting the project in the context of their organisations own policies and to also develop draft agreements that are sufficiently developed to be considered by higher management for adoption as policy</p>	<p>An informal partnership</p> <p>The various partners have indicated that each organisation will give support on aspects of the issues to be discussed but where no formal agreement to contribute other than meet, discuss relevant issues and provide support where this is possible</p>

Organisations/departments that must (as a minimum) comprise the partnership	A Private sector/"Third Sector" company (if leading the application) plus one borough council, which has committed inputs from its planning, economic development and waste management departments	A Private sector/"Third Sector" company (if leading the application) plus one borough council, which has committed inputs from its planning, economic development and waste management departments	A Private sector/"Third Sector" company (if leading the application) plus one borough council, which has committed inputs from its planning and/or economic development and waste management departments	A Private sector/"Third Sector" company (if leading the application) and one department of a borough council
Status of the individuals representing their organisation on the Partnership	Authorised individuals from the respective organisations and named in the legal Agreement with their status (job title)	The representatives of the various partners must be at Director or Member level and have responsibility within their organisations for the topic areas being discussed	The representatives of the various partners must include officers representing the borough council planning department and/or the economic development department plus the waste management department and from the private sector company	The representatives of the various partners can be from any level in the relevant partner organisations
Evidence for the Partnership	The Partnership is evidenced by a legal agreement signed by all parties. The Agreement defines clearly the contribution to be made by each partner and the outputs that each partner will deliver	The partnership must be evidenced by letters of agreement that formally recognise the existence of the partnership and set out clearly the contribution to be made by each partner (Private sector company/"Third Sector" organisation and each borough department and the outputs that each partner will deliver.	The partnership must be evidenced by letters of agreement that formally recognise the existence of the partnership and set out clearly the contribution to be made by each partner (Private sector company/"Third Sector" organisation and each borough department and the outputs that each partner will deliver.	The partnership is evidenced by letters of support from the various parties, on headed paper